

1 **SENATE FLOOR VERSION**

2 February 26, 2015

3 **AS AMENDED**

4 SENATE BILL NO. 592

5 By: Anderson

6 An Act relating to the Oklahoma Used Motor Vehicle
7 and Parts Commission; amending 47 O.S. 2011, Section
8 583, as last amended by Section 11, Chapter 4, O.S.L.
9 2014 (47 O.S. Supp. 2014, Section 583), which relates
10 to licenses, fees, fines, and bonds; deleting certain
11 maximum fine; modifying license renewals; changing
12 licenses to two-year term on certain date; phasing in
13 license term changes; doubling certain fees;
14 requiring certain auctions to remit certain fee;
15 stating procedure; setting fees; exempting
16 governmental entities; amending 47 O.S. 2011,
17 Sections 591.4, 591.5, 591.9, 591.10, 591.11 and
18 1137.1, which relate to fees, bid identification
19 cards, salvage pools, and temporary licenses;
20 deleting buyer identification cards; increasing
21 certain fees; modifying language; and providing an
22 effective date.

23 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

24 SECTION 1. AMENDATORY 47 O.S. 2011, Section 583, as last
amended by Section 11, Chapter 4, O.S.L. 2014 (47 O.S. Supp. 2014,
Section 583), is amended to read as follows:

Section 583. A. 1. It shall be unlawful and constitute a
misdemeanor for any person to engage in business as, or serve in the
capacity of, or act as a used motor vehicle dealer, used motor
vehicle salesperson, wholesale used motor vehicle dealer,

1 manufactured home dealer, restricted manufactured home park dealer,
2 manufactured home salesperson, manufactured home installer, or
3 manufactured home manufacturer selling directly to a licensed
4 manufactured home dealer in this state without first obtaining a
5 license or following other requirements therefor as provided in this
6 section.

7 2. a. Any person engaging, acting, or serving in the
8 capacity of a used motor vehicle dealer and/or a used
9 motor vehicle salesperson, a manufactured home dealer,
10 restricted manufactured home park dealer, manufactured
11 home salesperson, a manufactured home installer, or a
12 manufactured home manufacturer, or having more than
13 one place where any such business, or combination of
14 businesses, is carried on or conducted shall be
15 required to obtain and hold a current license for each
16 such business, in which engaged.

17 b. A used motor vehicle dealer's license shall authorize
18 one person to sell without a salesperson's license in
19 the event such person shall be the owner of a
20 proprietorship, or the person designated as principal
21 in the dealer's franchise or the managing officer or
22 one partner if no principal person is named in the
23 franchise.

24

1 c. If after a hearing in accordance with the provisions
2 of Section 585 of this title, the Oklahoma Used Motor
3 Vehicle and Parts Commission shall find any person
4 installing a mobile or manufactured home to be in
5 violation of any of the provisions of this act, such
6 person may be subject to an administrative fine of not
7 more than Five Hundred Dollars (\$500.00) for each
8 violation. Each day a person is in violation of this
9 act may constitute a separate violation. ~~The maximum~~
10 ~~fine shall not exceed One Thousand Dollars~~
11 ~~(\$1,000.00).~~ All administrative fines collected
12 pursuant to the provisions of this subparagraph shall
13 be deposited in the fund established in Section 582 of
14 this title. Administrative fines imposed pursuant to
15 this subparagraph may be enforceable in the district
16 courts of this state.

17 d. A salesperson's license may not be issued under a
18 wholesale used motor vehicle dealer's license.

19 3. Any person except persons penalized by administrative fine
20 violating the provisions of this section shall, upon conviction, be
21 fined not to exceed Five Hundred Dollars (\$500.00). A second or
22 subsequent conviction shall be punished by a fine not to exceed One
23 Thousand Dollars (\$1,000.00); provided that each day such unlicensed
24 person violates this section shall constitute a separate offense,

1 and any vehicle involved in a violation of this subsection shall be
2 considered a separate offense.

3 B. 1. Applications for licenses required to be obtained under
4 provisions of this act, Section 581 et seq. of this title, which
5 creates the Oklahoma Used Motor Vehicle and Parts Commission shall
6 be verified by the oath or affirmation of the applicant and shall be
7 on forms prescribed by the Commission and furnished to the
8 applicants, and shall contain such information as the Commission
9 deems necessary to enable it to fully determine the qualifications
10 and eligibility of the several applicants to receive the license or
11 licenses applied for. The Commission shall require in the
12 application, or otherwise, information relating to:

- 13 a. the applicant's financial standing,
- 14 b. the applicant's business integrity,
- 15 c. whether the applicant has an established place of
16 business and is engaged in the pursuit, avocation, or
17 business for which a license, or licenses, is applied
18 for,
- 19 d. whether the applicant is able to properly conduct the
20 business for which a license, or licenses, is applied
21 for, and
- 22 e. such other pertinent information consistent with the
23 safeguarding of the public interest and the public
24 welfare.

1 2. All applications for license or licenses shall be
2 accompanied by the appropriate fee or fees in accordance with the
3 schedule hereinafter provided. In the event any application is
4 denied and the license applied for is not issued, the entire license
5 fee shall be returned to the applicant.

6 3. All bonds and licenses issued under the provisions of this
7 act shall expire on December 31, following the date of issue and
8 shall be nontransferable. All applications for renewal of licenses
9 ~~should~~ shall be submitted by November 1 of each year of expiration,
10 and licenses for completed renewals received by November 1 shall be
11 issued by January 10. If applications have not been made for
12 renewal of licenses, such licenses shall expire on December 31 and
13 it shall be illegal for any person to represent himself or herself
14 and act as a dealer thereafter. Tag agents shall be notified not to
15 accept dealers' titles until such time as licenses have been issued.
16 Except as provided herein, beginning January 1, 2016, all licenses
17 shall be issued for a period of two (2) years and the appropriate
18 fees shall be assessed.

19 a. Any license issued before January 1, 2016, and ending
20 in an even number shall expire on December 31, 2016.
21 Application for renewal of such license shall be for a
22 period of two (2) years and the appropriate fee shall
23 be assessed.

24

1 **b.** Any license issued before January 1, 2016, and ending
2 in an uneven or odd number shall expire December 31,
3 2017. All applicants for renewal of such license
4 before January 1, 2016 shall pay the appropriate two-
5 year license fee.

6 4. A used motor vehicle salesperson's license shall permit the
7 licensee to engage in the activities of a used motor vehicle
8 salesperson. Salespersons shall not be allowed to sell vehicles
9 unless applications and fees are on file with the Commission and the
10 motor vehicle salesperson's or temporary salesperson's license
11 issued. A temporary salesperson's license, salesperson's renewal or
12 reissue of salesperson's license shall be deemed to have been issued
13 when the appropriate application and fee have been properly
14 addressed and mailed to the Commission.

15 Dealers' payrolls and other evidence will be checked to
16 ascertain that all salespersons for such dealers are licensed.

17 C. The schedule of license fees to be charged and received by
18 the Commission for the licenses issued hereunder shall be as
19 follows:

20 1. For each used motor vehicle dealer's license and each
21 wholesale used motor vehicle dealer's license, ~~Three Hundred Dollars~~
22 ~~(\$300.00)~~ Six Hundred Dollars (\$600.00). If a used motor vehicle
23 dealer or a wholesale used motor vehicle dealer has once been
24 licensed by the Commission in the classification for which he or she

1 applies for a renewal of the license, the fee for each subsequent
2 renewal shall be ~~One Hundred Fifty Dollars (\$150.00)~~ Three Hundred
3 Dollars (\$300.00); provided, if an applicant holds a license to
4 conduct business as an automotive dismantler and parts recycler
5 issued pursuant to Section 591.1 et seq. of this title, the initial
6 fee shall be ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars
7 (\$200.00) and the renewal fee shall be ~~One Hundred Dollars (\$100.00)~~
8 Two Hundred Dollars (\$200.00). If an applicant is applying
9 simultaneously for a license under this paragraph and a license
10 under paragraph 1 of Section 591.5 of this title, the initial
11 application fee shall be ~~Two Hundred Dollars (\$200.00)~~ Four Hundred
12 Dollars (\$400.00). For the reinstatement of a used motor vehicle
13 dealer's license after revocation for cancellation or expiration of
14 insurance pursuant to subsection F of this section, the fee shall be
15 ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00);

16 2. For a used motor vehicle dealer's license, for each place of
17 business in addition to the principal place of business, ~~One Hundred~~
18 ~~Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00);

19 3. For each used motor vehicle salesperson's license and
20 renewal, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars (\$50.00), and
21 for a transfer, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars (\$50.00);

22 4. For each holder who possesses a valid new motor vehicle
23 dealer's license from the Oklahoma Motor Vehicle Commission, ~~One~~
24 ~~Hundred Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00) shall be the

1 initial fee for a used motor vehicle license and the fee for each
2 subsequent renewal shall be ~~One Hundred Dollars (\$100.00)~~ Two
3 Hundred Dollars (\$200.00);

4 5. a. For each manufactured home dealer's license or a
5 restricted manufactured home park dealer's license,
6 ~~Three Hundred Dollars (\$300.00)~~ Six Hundred Dollars
7 (\$600.00), and for each place of business in addition
8 to the principal place of business, ~~Two Hundred~~
9 ~~Dollars (\$200.00)~~ Four Hundred Dollars (\$400.00), and

10 b. For each renewal of a manufactured home dealer's
11 license or a restricted manufactured home park
12 dealer's license, and renewal for each place of
13 business in addition to the principal place of
14 business, ~~One Hundred Fifty Dollars (\$150.00)~~ Three
15 Hundred Dollars (\$300.00);

16 6. a. For each manufactured home installer's license, ~~Two~~
17 ~~Hundred Dollars (\$200.00)~~ Four Hundred Dollars
18 (\$400.00), and

19 b. For each renewal of a manufactured home installer's
20 license, ~~Two Hundred Dollars (\$200.00)~~ Four Hundred
21 Dollars (\$400.00);

22 7. a. For each manufactured home manufacturer selling
23 directly to a licensed manufactured home dealer in
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1 this state, ~~Seven Hundred Fifty Dollars (\$750.00)~~ One
2 Thousand Five Hundred Dollars (\$1,500.00), and

3 b. For each renewal of a manufactured home manufacturer's
4 license, ~~Seven Hundred Fifty Dollars (\$750.00)~~ One
5 Thousand Five Hundred Dollars (\$1,500.00); **and**

6 8. For each manufactured home salesperson's license or renewal
7 thereof, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars (\$50.00), and
8 for each transfer, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars
9 (\$50.00).

10 D. 1. The license issued to each used motor vehicle dealer,
11 each wholesale used motor vehicle dealer, each restricted
12 manufactured home park dealer and each manufactured home dealer
13 shall specify the location of the place of business. If the
14 business location is changed, the Oklahoma Used Motor Vehicle and
15 Parts Commission shall be notified immediately of the change and the
16 Commission may endorse the change of location on the license. The
17 fee for a change of location shall be One Hundred Dollars (\$100.00),
18 and the fee for a change of name, **Twenty-five Dollars (\$25.00)**. The
19 license of each licensee shall be posted in a conspicuous place in
20 the place or places of business of the licensee.

21 2. The license issued to each manufactured home installer, and
22 each manufactured home manufacturer shall specify the location of
23 the place of business. If the business location is changed, the
24 Oklahoma Used Motor Vehicle and Parts Commission shall be notified

1 immediately of the change and the Commission may endorse the change
2 of location on the license without charge. The license of each
3 licensee shall be posted in a conspicuous place in the place or
4 places of business of the licensee.

5 3. Every used motor vehicle salesperson shall have the license
6 upon his or her person when engaged in business, and shall display
7 same upon request. The name of the employer of the salesperson
8 shall be stated on the license and if there is a change of employer,
9 the license holder shall immediately mail the license to the
10 Commission for its endorsement of the change thereon. There shall
11 be no ~~charge for endorsement of change of employer on the license or~~
12 penalty for not having a license upon his or her person.

13 4. Every manufactured home installer shall have the license
14 available for inspection at the primary place of business of the
15 licensee. This license shall be valid for the licensee and all of
16 the employees of the licensee. Any person who is not an employee of
17 the licensee must obtain a separate manufactured home installer
18 license regardless of whether such person is acting in the capacity
19 of a contractor or subcontractor.

20 E. 1. a. Each applicant for a used motor vehicle dealer's
21 license shall procure and file with the Commission a
22 good and sufficient bond in the amount of Twenty-five
23 Thousand Dollars (\$25,000.00). Each new applicant for
24 a used motor vehicle dealer's license for the purpose

1 of conducting a used motor vehicle auction shall
2 procure and file with the Commission a good and
3 sufficient bond in the amount of Fifty Thousand
4 Dollars (\$50,000.00). An applicant who intends to
5 conduct a used motor vehicle auction who provides
6 proof that the applicant has check and title insurance
7 in an amount not less than Fifty Thousand Dollars
8 (\$50,000.00) shall only be required to have a bond in
9 the amount of Twenty-five Thousand Dollars
10 (\$25,000.00).

11 b. Each new applicant for a used motor vehicle dealer
12 license for the purpose of conducting a used motor
13 vehicle business which will consist primarily of non-
14 auction consignment sales which are projected to equal
15 Five Hundred Thousand Dollars (\$500,000.00) or more in
16 gross annual sales shall procure and file with the
17 Commission a good and sufficient bond in the amount of
18 Fifty Thousand Dollars (\$50,000.00). The Commission
19 shall prescribe by rule the method of operation of the
20 non-auction consignment dealer in order to properly
21 protect the interests of all parties to the
22 transaction and to provide sanctions against dealers
23 who fail to comply with the rules.

- 1 c. Each applicant for a wholesale used motor vehicle
2 dealer's license shall procure and file with the
3 Commission a good and sufficient bond in the amount of
4 Twenty-five Thousand Dollars (\$25,000.00).
- 5 d. Any used motor vehicle dealer who, for the purpose of
6 being a rebuilder, applies for a rebuilder
7 certificate, as provided in Section 591.5 of this
8 title, whether as a new application or renewal, shall
9 procure and file with the Commission a good and
10 sufficient bond in the amount of Fifteen Thousand
11 Dollars (\$15,000.00), in addition to any other bonds
12 required.
- 13 e. Each applicant for a manufactured home dealer's
14 license or a restricted manufactured home park
15 dealer's license shall procure and file with the
16 Commission a good and sufficient bond in the amount of
17 Thirty Thousand Dollars (\$30,000.00).
- 18 f. Each manufactured home manufacturing facility selling
19 directly to a licensed manufactured home dealer in
20 this state shall procure and file with the Commission
21 a good and sufficient bond in the amount of Thirty
22 Thousand Dollars (\$30,000.00). In addition to all
23 other conditions and requirements set forth herein,
24 the bond shall require the availability of prompt and

1 full warranty service by the manufacturer to comply
2 with all warranties expressed or implied in connection
3 with each manufactured home which is manufactured for
4 resale in this state. A manufacturer may not sell,
5 exchange, or lease-purchase a manufactured home to a
6 person in this state who is not a licensed
7 manufactured home dealer.

8 g. The bond shall be approved as to form by the Attorney
9 General and conditioned that the applicant shall not
10 practice fraud, make any fraudulent representation, or
11 violate any of the provisions of this act in the
12 conduct of the business for which the applicant is
13 licensed. One of the purposes of the bond is to
14 provide reimbursement for any loss or damage suffered
15 by any person by reason of issuance of a certificate
16 of title by a used motor vehicle dealer, a wholesale
17 used motor vehicle dealer, a restricted manufactured
18 home park dealer or a manufactured home dealer.

19 2. The bonds as required by this section shall be maintained
20 throughout the period of licensure. Should the bond be canceled for
21 any reason, the license shall be revoked as of the date of
22 cancellation unless a new bond is furnished prior to such date.

23 F. Any used motor vehicle dealer or wholesale used motor
24 vehicle dealer is required to furnish and keep in force a minimum of

1 Twenty-five Thousand Dollars (\$25,000.00) of single liability
2 insurance coverage on all vehicles offered for sale or used in any
3 other capacity in demonstrating or utilizing the streets and
4 roadways in accordance with the financial responsibility laws of
5 this state.

6 G. Any manufactured home dealer or restricted manufactured home
7 park dealer is required to furnish and keep in force a minimum of
8 One Hundred Thousand Dollars (\$100,000.00) of garage liability or
9 general liability with products and completed operations insurance
10 coverage.

11 H. Any manufactured home installer is required to furnish and
12 keep in force a minimum of Twenty-five Thousand Dollars (\$25,000.00)
13 of general liability with products and completed operations
14 insurance coverage.

15 SECTION 2. AMENDATORY 47 O.S. 2011, Section 591.4, is
16 amended to read as follows:

17 Section 591.4. A. Every person, firm or corporation desiring
18 to engage in the business of an automotive dismantler and parts
19 recycler shall apply in writing, on a form to be prescribed by the
20 Oklahoma Used Motor Vehicle and Parts Commission, which form shall
21 contain:

- 22 1. The name of the applicant;
- 23 2. The street address of the applicant's principal place of
24 business;

1 3. The type of business organization of the applicant;

2 4. The applicant's financial statement;

3 5. The legal description of the proposed place of business,
4 together with written verification from the appropriate local
5 authorities that the place of business meets the licensing and
6 zoning requirements of the municipality or county where located; and

7 6. Such additional information as may be required by the
8 Commission.

9 B. Notwithstanding subsection A of this section, the Commission
10 may decline to issue an original license ~~or buyer's identification~~
11 ~~card (B.I.D.)~~ to any person, firm or corporation that does not, in
12 good faith, meet the requirements of the Automotive Dismantlers and
13 Parts Recycler Act; or whose proposed place of business does not
14 meet the applicable zoning requirements; or whose proposed use is
15 deemed inappropriate by the Commission due to surrounding property
16 uses or objections from the immediate surrounding neighbors, such
17 that the place of business would be deemed to be a private or public
18 nuisance; or whose place of business is not properly screened by
19 natural objects, plantings, opaque fences of a height not less than
20 six (6) nor more than eight (8) feet or other appropriate
21 sightproofing, so as to screen where possible vehicles and parts
22 stored outside of buildings from view from immediately adjacent
23 property.

1 SECTION 3. AMENDATORY 47 O.S. 2011, Section 591.5, is
2 amended to read as follows:

3 Section 591.5. An application for a license shall be
4 accompanied by the following fees:

5 1. ~~Three Hundred Dollars (\$300.00)~~ Six Hundred Dollars
6 (\$600.00) for an initial license for an applicant's established
7 principal place of business, ~~One Hundred Fifty Dollars (\$150.00)~~
8 Three Hundred Dollars (\$300.00) for a renewal license for an
9 applicant's established place of business and ~~One Hundred Dollars~~
10 ~~(\$100.00)~~ Two Hundred Dollars (\$200.00) for each additional place of
11 business, if any, to which the application pertains; provided, if an
12 applicant holds a used motor vehicle dealer's license issued
13 pursuant to paragraph 1 of subsection C of Section 583 of this
14 title, for an applicant's established place of business the initial
15 license fee shall be ~~One Hundred Dollars (\$100.00)~~ Two Hundred
16 Dollars (\$200.00) and the renewal fee shall be ~~One Hundred Dollars~~
17 ~~(\$100.00)~~ Two Hundred Dollars (\$200.00); provided further, if an
18 applicant is applying simultaneously for a license under this
19 paragraph and under paragraph 1 of subsection C of Section 583 of
20 this title, the initial application fee shall be ~~Two Hundred Dollars~~
21 ~~(\$200.00)~~ Four Hundred Dollars (\$400.00). If an applicant for or
22 holder of a used motor vehicle dealer's license also applies for a
23 rebuilder certificate, the initial fee for the certificate shall be
24 ~~Three Hundred Dollars (\$300.00)~~ Six Hundred Dollars (\$600.00) and

1 the renewal fee shall be ~~One Hundred Fifty Dollars (\$150.00)~~ Three
2 Hundred Dollars (\$300.00). ~~The Oklahoma Used Motor Vehicle and~~
3 ~~Parts Commission shall issue a buyer's identification card (B.I.D.)~~
4 ~~with each certificate issued.~~ License fees shall be returnable only
5 in the event that the application is denied by the Commission.

6 2. Any change which renders no longer accurate any information
7 contained in an application for a license filed with the Commission
8 shall be amended within thirty (30) days after the occurrence of the
9 change on a form prescribed by the Commission by rule, accompanied
10 by a fee of One Hundred Dollars (\$100.00), provided, the fee for a
11 change of name shall be Fifty Dollars (\$50.00).

12 3. Every license issued to an automobile dismantler and parts
13 recycler shall expire on December 31 of each year and shall be
14 renewed on or before January 1 of the following year.

15 SECTION 4. AMENDATORY 47 O.S. 2011, Section 591.9, is
16 amended to read as follows:

17 Section 591.9. The Oklahoma Used Motor Vehicle and Parts
18 Commission is authorized to refuse, cancel, suspend or revoke a
19 license ~~or buyer's identification card (B.I.D.)~~ to any person, firm
20 or corporation for the following reasons:

21 1. Failure to meet the requirements of the Automotive
22 Dismantlers and Parts Recycler Act;

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1 2. Failure to continue to meet the requirements of this act or
2 of the rules promulgated by the Commission pursuant to the
3 provisions of the Automotive Dismantlers and Parts Recycler Act;

4 3. Upon satisfactory proof of unfitness of the applicant or the
5 licensee, as the case may be, under the standards established by the
6 Automotive Dismantlers and Parts Recycler Act;

7 4. For the felony conviction of a state or federal law by an
8 applicant, licensee, partner of an applicant or licensee, director,
9 officer, or stockholder in the case of a corporate applicant or
10 licensee, or an employee, manager, or any person having a pecuniary
11 interest in the business involving:

12 a. theft,

13 b. violation of the Oklahoma certificate of title law or
14 similar laws of other states,

15 c. alteration, obliteration, or removal of a vehicle
16 identification number, or

17 d. any other act directly relating to the ability of the
18 applicant or licensee to conduct an automotive
19 dismantler and parts recycling business;

20 5. Commission of any unlawful act which resulted in the
21 revocation of any similar license in another state; or

22 6. Engaging in business under a past or present license issued
23 pursuant to the Automotive Dismantlers and Parts Recycler Act in
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1 such a manner as to cause injury to the public or to those with whom
2 the licensee has dealt.

3 SECTION 5. AMENDATORY 47 O.S. 2011, Section 591.10, is
4 amended to read as follows:

5 Section 591.10. A. Any person, firm or corporation who is
6 refused a license or whose license ~~or B.I.D. card~~ is canceled,
7 suspended or revoked shall be notified in person or by mail with
8 return receipt requested to the address given on the application of
9 the applicant or licensee and, upon written request within fifteen
10 (15) days of receipt of such notice, shall be given a hearing upon
11 the proposed action. The hearing may be conducted by the Commission
12 and shall be held no more than thirty (30) days from receipt of the
13 written request for a hearing. The hearing may be informal and the
14 rules of evidence of the courts of Oklahoma shall not be required.
15 Appeals from the decision of the Commission shall be governed by the
16 Administrative Procedures Act.

17 B. In addition to the cancellation, suspension, revocation or
18 refusal to issue or renew a license ~~or buyer's identification~~ or the
19 imposition of any other penalty by the Commission, the Commission is
20 hereby authorized to impose administrative fines for violations of
21 the Automotive Dismantlers and Parts Recycler Act in the amounts not
22 to exceed Five Hundred Dollars (\$500.00) for a first violation, One
23 Thousand Dollars (\$1,000.00) for a second violation and Five
24 Thousand Dollars (\$5,000.00) for a third violation.

1 SECTION 6. AMENDATORY 47 O.S. 2011, Section 591.11, is
2 amended to read as follows:

3 Section 591.11. A. Sales at a salvage pool or salvage disposal
4 sale may be opened only to:

5 1. A person who is a resident of this state;

6 2. A company representative of a business that is based in this
7 state; or

8 3. A person who may legally purchase salvage vehicles in his or
9 her home state or country.

10 B. It shall be the duty of the owner, manager or person in
11 charge of any salvage pool or salvage disposal sale to prohibit the
12 bidding by any person who is not qualified to purchase salvage
13 vehicles as provided in subsection A of this section and, further,
14 to refuse to sell to any person any wrecked or repairable motor
15 vehicle if such person is not qualified to purchase salvage vehicles
16 as provided in subsection A of this section.

17 C. Any salvage pool or salvage disposal sale that is
18 facilitating in the sale of a motor vehicle for an insurance company
19 must provide on its ~~web-site~~ website the full seventeen-digit
20 vehicle identification number (VIN) and the name of the insurance
21 company that is selling the motor vehicle.

22 D. The salvage pool or salvage disposal sale shall show the
23 buyer's identification number of the winning bidder on any sale that
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1 takes place on the Internet or by ~~on-line~~ online bidding for all
2 salvage motor vehicles being sold for an insurance company.

3 E. It shall be the duty of the owner, manager or person in
4 charge of any salvage pool or salvage disposal sale to remit
5 payments to the Oklahoma Used Motor Vehicle and Parts Commission.
6 Such payments shall be calculated by multiplying the total number of
7 salvage vehicle sales transactions during a certain period times **Two**
8 **Dollars (\$2.00)**. The first payment shall not be calculated on any
9 sales transactions prior to November 1, 2007. The payments shall
10 not be made more often than one payment each month. The payments
11 shall be transmitted to the Oklahoma Used Motor Vehicle and Parts
12 Commission at any time during the thirty (30) days immediately
13 following the period for which the payment was calculated.

14 F. Every salvage pool shall keep a register of all sales of
15 salvage vehicles showing the make, model, year, style, vehicle
16 identification number, and names and addresses of the purchaser and
17 seller of the motor vehicle. Such registers shall be submitted to
18 the Oklahoma Used Motor Vehicle and Parts Commission on a regular
19 basis.

20 G. The provisions of this section shall not apply to a
21 regularly scheduled vehicle consignment auction conducted by a used
22 motor vehicle dealer which sells salvage vehicles, damaged vehicles,
23 wrecked vehicles or repairable vehicles for someone other than a
24 public insurance company. Such auction may sell these vehicles as

1 an incident to the sale of operable vehicles, but shall not
2 constitute a primary part of the business.

3 SECTION 7. AMENDATORY 47 O.S. 2011, Section 1137.1, is
4 amended to read as follows:

5 Section 1137.1. A. Except for vehicles, travel trailers or
6 commercial trailers which display a current Oklahoma license tag,
7 upon the purchase or transfer of ownership of a used motor vehicle,
8 travel trailer or commercial trailer, including an out-of-state
9 purchase or transfer of the same, to a licensed used motor vehicle
10 dealer, wholesale used motor vehicle dealer, used travel trailer
11 dealer or used commercial trailer dealer, subsequently referred to
12 in this section as "dealer", the dealer shall affix a used dealer's
13 plate visible from the rear of the vehicle, travel trailer or
14 commercial trailer. Such license plate shall expire on December 31
15 of each year. When the vehicle, travel trailer or commercial
16 trailer is parked on the dealer's licensed place of business, it
17 shall not be required to have a license plate of any kind affixed.
18 A dealer shall obtain from the Oklahoma Tax Commission at a cost of
19 Ten Dollars (\$10.00) a dealer license plate for demonstrating,
20 transporting or any other normal business of a dealer; ~~provided, any~~
21 including use by an individual holding a valid salesperson's license
22 issued by the Oklahoma Used Motor Vehicle and Parts Commission. Any
23 dealer who operates a wrecker or towing service licensed pursuant to
24 Sections 951 through 957 of this title shall register each wrecker

1 vehicle and display a wrecker license plate on each vehicle as
2 required by Section 1134.3 of this title. A dealer may obtain as
3 many additional license plates as may be desired upon the payment of
4 Ten Dollars (\$10.00) for each additional license plate. Use of the
5 used dealer license plate by a licensed dealer for other than the
6 purposes as set forth herein shall constitute grounds for revocation
7 of the dealer's license. The Oklahoma Tax Commission shall design
8 the official used dealer license plate to include the used dealer's
9 license number issued to him or her each year by the Commission or
10 the Used Motor Vehicle and Parts Commission.

11 B. Upon the purchase or transfer of ownership of an out-of-
12 state used motor vehicle, travel trailer or commercial trailer to a
13 licensed dealer, the dealer shall make application for an Oklahoma
14 certificate of title pursuant to the Oklahoma Vehicle License and
15 Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma
16 Statutes. Upon receipt of the Oklahoma certificate of title, the
17 dealer shall follow the procedure as set forth in subsection A of
18 this section. Provided, nothing in this title shall be construed as
19 requiring a dealer to register a used motor vehicle, travel trailer
20 or commercial trailer purchased in another state which will not be
21 operated or sold in this state.

22 C. Upon sale or transfer of ownership of the used motor vehicle
23 or travel trailer, the dealer shall place upon the reassignment
24 portion of the certificate of title a tax stamp issued by the county

1 treasurer of the county in which the dealer has his or her primary
2 place of business. The tax stamp shall be issued upon payment of a
3 fee of Three Dollars and fifty cents (\$3.50) and shall be in lieu of
4 the dealer's ad valorem tax on the inventories of used motor
5 vehicles or travel trailers but shall not relieve any other property
6 of the dealer from ad valorem taxation.

7 D. Upon sale of a used motor vehicle or travel trailer to
8 another licensed dealer, the selling dealer shall place the tax
9 stamp required in subsection C of this section upon the certificate
10 of title. The used dealer license plate or wholesale dealer license
11 plate shall be removed by the selling dealer. The purchasing dealer
12 shall, at time of purchase, place his or her dealer license plate on
13 the used motor vehicle, travel trailer or commercial trailer as
14 provided in subsection A of this section; provided, for vehicles,
15 travel trailers or commercial trailers purchased by a licensed used
16 dealer at an auction, in lieu of such placement of the dealer
17 license plate, the auction may provide temporary documentation as
18 approved by the Director of the Motor Vehicle Division of the
19 Oklahoma Tax Commission for the purpose of transporting such vehicle
20 to the purchaser's point of destination. Such temporary
21 documentation shall be valid for two (2) days following the date of
22 sale.

23 E. The purchaser of every used motor vehicle, travel trailer or
24 commercial trailer, except as otherwise provided by law, shall

1 obtain registration and title for the vehicle or trailer within
2 thirty (30) days from the date of purchase of same. It shall be the
3 responsibility of the selling dealer to place a temporary license
4 plate, in size similar to the permanent Oklahoma license plate but
5 of a weatherproof plastic-impregnated substance approved by the Used
6 Motor Vehicle and Parts Commission, upon a used motor vehicle,
7 travel trailer or commercial trailer when a transaction is completed
8 for the sale of said vehicle. The temporary license plate under
9 this subsection shall be placed at the location provided for the
10 permanent motor vehicle license plate. The temporary license plate
11 shall show the license number which is issued to the dealer each
12 year by the Oklahoma Tax Commission or the Used Motor Vehicle and
13 Parts Commission, the date the used motor vehicle, travel trailer or
14 commercial trailer was purchased and the company name of the selling
15 dealer. The Used Motor Vehicle and Parts Commission is hereby
16 directed to develop the temporary license plate design to
17 incorporate these requirements in a manner that will permit law
18 enforcement personnel to readily identify the dealer license number
19 and date of the vehicle purchase. The Used Motor Vehicle and Parts
20 Commission is hereby authorized to develop additional requirements
21 and parameters as deemed appropriate to discourage or prevent
22 illegal duplication and use of the temporary license plate. Such
23 temporary license plate shall be valid for a period of thirty (30)
24 days from the date of purchase. Use of the temporary license by a

1 dealer for other than the purposes set forth herein shall constitute
2 grounds for revocation of the dealer's license to conduct business.
3 Purchasers of a commercial trailer shall affix the temporary license
4 plate to the rear of the commercial trailer. The purchaser shall
5 display the temporary license plate for a period not to exceed
6 thirty (30) days or until registration and title are obtained as
7 provided in this section.

8 The provisions of this subsection on temporary licenses shall
9 apply to nonresidents who purchase a used motor vehicle, travel
10 trailer or commercial trailer within this state that is to be
11 licensed in another state. The nonresident purchaser shall be
12 allowed to operate the vehicle or trailer within the state with a
13 temporary license plate for a period not to exceed thirty (30) days
14 from date of purchase. Any nonresident purchaser found to be
15 operating a used motor vehicle, travel trailer or commercial trailer
16 within this state after thirty (30) days shall be subject to the
17 registration fees of this state upon the same terms and conditions
18 applying to residents of this state.

19 F. It shall be unlawful for any dealer to procure the
20 registration and licensing of any used motor vehicle, travel trailer
21 or commercial trailer sold by the dealer or to act as the agent for
22 the purchaser in the procurement of the registration and licensing
23 of the purchaser's used vehicle, travel trailer or commercial
24

1 trailer. A license of any dealer violating the provision of this
2 section may be revoked.

3 G. Dealers following the procedure set forth herein shall not
4 be required to register vehicles, travel trailers or commercial
5 trailers to which this section applies, nor will the registration
6 fee otherwise required be assessed. Provided, dealers shall not
7 purchase or trade for a used motor vehicle, travel trailer or
8 commercial trailer on which the registration therefor has been
9 expired for a period exceeding thirty (30) days without obtaining
10 current registration therefor.

11 SECTION 8. This act shall become effective November 1, 2015.

12 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE
13 February 26, 2015 - DO PASS AS AMENDED

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